

Introduced by Senator Karnette

February 20, 2002

An act to add Section 11011.12 to the Government Code, relating to state real property.

LEGISLATIVE COUNSEL'S DIGEST

SB 1600, as introduced, Karnette. State real property: surplus property.

Existing law requires the Department of General Services, with assistance from the staff of the Office of Space and Real Estate Services in the department, to maintain a complete and accurate statewide inventory of all real property held by the state, as specified. Each state agency, on or before December 31 of each year, is required to make a review of all proprietary state lands, with specified exceptions, over which it has jurisdiction, to determine what, if any, land is in excess of the agency's foreseeable needs and to report thereon in writing to the department. The department is required to report annually to the Legislature the land declared excess and to request authorization to dispose of the land.

This bill would require the Office of Space and Real Estate Services, no later than January 1, 2004, to develop standards for the frequency and content of state property reviews and land management plans for the purpose of conducting an inventory of all surplus state property. It would require the office to monitor state agency compliance with these standards. It also would require the office, no later than January 1, 2004, to report to the Legislature on policy recommendations for requiring the department to take specified actions in connection with the state inventory, and for requiring the Department of Transportation to take



specified actions in connection with its review of its real property holdings.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the
2 following:

3 (a) An effective inventory of state-owned real property would
4 allow the state to identify and dispose of surplus property, the
5 proceeds of which would help fund important state projects and
6 reduce budget deficits.

7 (b) The State Auditor, in a 2001 report titled “The State’s Real
8 Property Assets,” found that idle surplus state properties reduce
9 the potential revenues and societal benefits that could be realized
10 from their disposal and require the state to incur unnecessary
11 maintenance costs.

12 (c) In order to maximize the financial value of state property
13 and ensure its best use on behalf of the people of California, the
14 state should adequately inventory all of the state’s real property
15 and promptly dispose of surplus property.

16 SEC. 2. Section 11011.12 is added to the Government Code,
17 to read:

18 11011.12. The Office of Space and Real Estate Services in the
19 Department of General Services, on or before January 1, 2004,
20 shall do all of the following:

21 (a) Develop standards for the frequency and content of state
22 property reviews and land management plans for the purpose of
23 conducting an inventory of all surplus state property.

24 (b) Monitor state agency compliance with these standards.

25 (c) Scrutinize state agency decisions to retain property.

26 (d) Conduct periodic reviews of the state’s real property and
27 make recommendations to the Legislature regarding the
28 property’s retention or disposal.

29 (e) Consider whether to replace the existing requirement for
30 annual property reviews with a requirement for less frequent, but
31 more comprehensive, reviews, and submit any necessary
32 recommendations to the Legislature.



(f) Report to the Legislature on policy recommendations to accomplish the following:

(1) Providing incentives to encourage a state agency to identify surplus property for disposal. These incentives may include allowing an agency to retain the proceeds from the disposition of surplus property for use in funding either current or planned capital outlays for new property or improving and modernizing existing facilities.

(2) Allowing the Department of General Services to fill vacant positions with responsibility for selling, leasing, or transferring surplus properties, and promptly assign staff to dispose of surplus properties.

(3) Ensuring that the Department of General Services promptly submits required reports to the Legislature and considers including in reports more detailed information on the status of surplus property.

(4) Requiring the Department of General Services to execute leases to provide space in state-owned buildings for child care and to lawfully enforce terms of existing leases, including collection of rent.

(5) Requiring the Department of General Services to conduct studies of regional office space in order to provide an effective strategy for consolidating the state's office space.

(6) Requiring the Department of Transportation to do all of the following:

(A) Properly account for and dispose of surplus property as promptly as possible.

(B) Ensure that department staff list, and correctly categorize, all surplus property in the department's data bases.

(C) Ensure that its district offices follow department procedures for reviewing properties.

(D) Correct the property information in its data bases so that it has reliable information to manage its real property holdings.

(E) Provide the Department of General Services or another appropriate entity with accurate, timely annual reports on the status of its real property holdings.

